

1 THE REGULAR MEETING

2 OF THE

3 BOARD OF DIRECTORS

4 TRABUCO CANYON WATER DISTRICT

5 JULY 21, 2010

6 The Regular Meeting of the Board of Directors of the Trabuco Canyon  
7 Water District (TCWD) was called to order by President Mike Safranski at 7:00  
8 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon  
9 Drive, Trabuco Canyon, California. Teresa Teichman, Board Secretary,  
10 recorded and transcribed the minutes thereof.

11 **DIRECTORS PRESENT**

12 Mike Safranski, President  
13 Ed Mandich, Vice President  
14 Jim Haselton, Director  
Glenn Acosta, Director  
Matt Disston, Director

15 **STAFF PRESENT**

16 Don Chadd, General Manager  
17 Hector Ruiz, District Engineer  
Teresa Teichman, Assistant Board Secretary

18 **PUBLIC PRESENT**

19 No members of the public were present

20 **CONSULTANTS PRESENT**

21 Rob Anslow, Legal Counsel

22 **PLEDGE OF ALLEGIANCE**

23 Director Acosta led the Board and staff in the pledge of allegiance.

24 **VISITOR COMMENTS**

25 There were no public comments.

26 **ORAL COMMUNICATION**

27 There were no oral or written comments.  
28

1 **DIRECTOR'S COMMENTS**

2 There were no Director comments

3 **REPORT FROM THE GENERAL MANAGER**

4 Mr. Don Chadd, General Manager, recommended review and approval of the  
5 Directors' monthly fees to be presented in a manner which reflects meetings  
6 which have already occurred from the date of one board meeting to the next.  
7 The Board of Director's were unanimous in their agreement.

8 Mr. Chadd also noted the District Engineer will be on vacation for the  
9 next two weeks.

10 **CONSENT CALENDAR**

11 President Safranski announced that all matters under the Consent  
12 Calendar would be approved by one motion unless a Board Member requests a  
13 separate action on a specific item.

14 MOTION: A motion was made by Director Disston and seconded by  
15 Director Acosta to approve the Consent Calendar, Item Nos.  
1A through 1E, as presented. The motion carried 5-0.

16 **ACTION CALENDAR**

17 President Safranski stated that the General Manager and staff had  
18 reviewed all matters under the Action Calendar prior to the Board's  
19 consideration.

20 **ADMINISTRATIVE MATTERS**

21 **ITEM NO. 1F. PUBLIC HEARING REGARDING WATER STANDBY ASSESSMENT FOR  
FISCAL YEAR 2010/2011**

22 Mr. Chadd presented this matter. Mr. Chadd stated that the Notice to  
23 Property Owners was published in the Saddleback Valley News, forwarded to all  
24 affected property owners, and posted at the District office. Property  
25 managers from both the Dove Canyon Master Association (DOVE) and the Trabuco  
26 Highlands Community Association (THCA) contacted the District with inquiries  
27 concerning undevelopable parcels. Both Dove and THCA requested that the  
28

1 parcels be exempted from the water standby assessment as the parcels have no  
2 potential for development.

3 Mr. Chadd recommended that the Board open the Public Hearing.

4 President Safranski opened the Public Hearing to receive public  
5 comments relating to the Water Standby Assessment for Fiscal Year 2010/2011.

6 There were no public comments, there were no written comments and  
7 President Safranski closed the Public Hearing.

8 **RESOLUTION:** A motion was made by Director Disston and seconded by  
9 Director Haselton to exempt the referenced parcels for the  
10 Dove Canyon Master Association and the referenced parcels  
11 for the Trabuco Highlands Community Association from the  
12 water standby assessment and to adopt Resolution No. 2010-  
13 1127 which is entitled, "Resolution of the Board of  
14 Directors of the Trabuco Canyon Water District Establishing  
15 Water Standby Assessment for the Fiscal Year 2010/2011."  
16 The water standby assessment was established at \$15.00 per  
17 acre or portion thereof. The motion carried  
18 5-0.

#### 19 ENGINEERING MATTERS

#### 20 **ITEM NO. 1G. STATUS UPDATE RELATING TO WATER MONITORING AND WATER 21 CONSERVATION EFFORTS**

22 Mr. Chadd discussed the data provided by MWDOC. Mr. Chadd also provided  
23 a copy of the Notice to State Water Project Contractors reflecting the  
24 2010 increased water allocation.

25 Each Director's residential consumption was reviewed.

26 The Board received and filed the status update.

#### 27 **ITEM NO. 1H. STATUS UPDATE RELATING TO BAKER WATER TREATMENT FACILITY**

28 Mr. Hector Ruiz, District Engineer advised the final design is 50%  
complete. Mr. Ruiz reviewed the cost breakdown including percentage share,  
total deposits and quarterly payment schedule.

Mr. Ruiz also provided information showing the reconciliation of  
expenditures to date.

1 Mr. Ruiz advised the completion of the final design is scheduled for  
2 March/April 2011.

3  
4 **ITEM NO. 1I. STATUS UPDATE AND POSSIBLE ACTION RELATING TO ROSE CANYON  
AND LANG WELLS GROUNDWATER TREATMENT FACILITIES**

5 Mr. Ruiz updated the Committee as to the progress and status of the  
6 phases of construction occurring at the site including the excavation for the  
7 30,000 gallon buried tank for storage of spent filter backwash water along  
8 with a three month look ahead regarding construction activities.

9 Mr. Ruiz advised the submittal process for the State Revolving Fund  
10 Loan (SRF) claims are in process. The claims package was approved in an  
11 informal review and has since been approved for submission to the State. Mr.  
12 Ruiz advised the claims process is a 45 day timeline.

13 Mr. Chadd advised there will be a transition meeting tomorrow to  
14 discuss project oversight while the District Engineer is on vacation.

15  
16 **FINANCIAL MATTERS**

17 **ITEM NO. 1J. CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTION NO. 2010-  
1141 APPROVING FISCAL YEAR 2010/2011 DEBT SERVICE BUDGET**

18 Mr. Chadd reviewed this matter with the Board stating that sufficient  
19 funds have been collected to pay the remaining debt service for Reassessment  
20 District No. 5, and the budget for Fiscal Year 2010/2011 is zero. However,  
21 the County of Orange requires that a Special District Budget form be  
22 forwarded along with a Resolution. Mr. Chadd recommended adoption and noted  
23 the final payment will be made in September, 2010.

24 RESOLUTION: A motion was made by Director Disston and seconded by  
25 Director Acosta to adopt Resolution No. 2010-1141 which is  
26 entitled, "Resolution of the Board of Directors of the  
Trabuco Canyon Water District Approving the Budget for  
2010/2011 for Reassessment District No. 5, Series 2001."  
The motion carried 5-0

1 **ITEM NO. 1K. STAFF REPORT AND POSSIBLE ACTION REGARDING COLLECTION**  
2 **ACCOUNTS**

3 Mr. Chadd reviewed with the Board the procedures currently in place for  
4 the collection of unpaid customer accounts along with current procedures for  
5 writing-off, but not forgiving unpaid balances due to TCWD.

6 Mr. Chadd stated the uncollectable bad debt from fiscal years 2005/2006  
7 through 2008/2009 has been turned over to a collection agency but is  
8 currently reflected on the books.

9 Mr. Chadd recommended writing-off, but not forgiving these finaled  
10 accounts so that the billing system may be utilized in a more efficient  
11 manner.

12 MOTION: A motion was made by Director Disston and seconded by  
13 Director Acosta to move staff recommendation. The motion  
14 carried 5-0.

15 **ITEM NO. 11. DISCUSSION RELATING TO FINANCIAL SERVICES PROVIDED BY NBS**

16 Mr. Chadd discussed functions performed by the previous Treasurer as  
17 it relates to management of TCWD's Community Facility Districts (CFD's).

18 Mr. Chadd noted the CFD's will expire in the tax year 2014/2015 and  
19 until such time it is staffs recommendation to transition this responsibility  
20 to NBS with an expanded scope of service. Mr. Chadd reminded the Board there  
21 would be no fiscal impact to the District for the expanded services.

22 Discussion occurred.

23 MOTION: A motion was made by Director Disston and seconded by  
24 Vice President Acosta to move staff recommendation.  
25 The motion carried 5-0.

26 **LEGISLATIVE MATTERS**

27 **ITEM NO. 1M. DISCUSSION AND POSSIBLE ACTION REGARDING CALIFORNIA SPECIAL**  
28 **DISTRICTS ASSOCIATION (CSDA) 2010 BOARD ELECTIONS**

Mr. Chadd advised the Board of the information and mail ballot received  
from the California Special Districts Association (CSDA) regarding

2010 Board Elections for Region 6.

Mr. Chadd advised staff takes no position on this matter and it is the pleasure of the Board to select a candidate if so desired. Discussion occurred.

MOTION: A motion was made by Director Acosta and seconded by Director Disston to support Arlene Schafer and directed staff to complete the mail voter ballot accordingly. The motion carried 5-0.

**ITEM NO. 1N. REVIEW AND DISCUSSION OF SOUTH ORANGE COUNTY ISSUES REGARDING THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)**

Mr. Chadd provided information to the Board as it relates to Drafts from MWDOC to Client Agencies, South County Agencies analysis, and a copy of a July 16, 2010 letter from Kevin Hunt of MWDOC. Discussion occurred.

The Board received and filed the information.

**ITEM NO. 10 REVIEW OF LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL ITEMS**

Mr. Chadd provided information relating to the monitoring of AB1975 (Fong).

ISDOC Quarterly Meeting Notice was distributed to the Board.

Mr. Chadd advised the Board of a recent incident of water theft within the district. Mr. Chadd provided a power point presentation to show the Board the sophistication of the water theft and discussed the letter being sent to the homeowner and the potential for fines.

**END ACTION CALENDAR**

**OTHER MATTERS**

No other matters were discussed.

**ADDITIONAL DIRECTORS' COMMENTS**

There were no additional comments.

**ADDITIONAL GENERAL MANAGER COMMENTS**

1 There were no additional comments.

2 **ADJOURNMENT**

3 At 8:20 p.m. President Safranski adjourned the June 16, 2010 Regular  
4 Board Meeting.

6 Respectfully Submitted,

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Teresa Teichman  
9 Secretary to the Board of Directors